THE REPUBLIC OF UGANDA

SECOND NORTHERN UGANDA SOCIAL ACTION FUND
PROJECT 2 (NUSAF 2)

IDA CREDIT NO.46260 - UG

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2014
TOGETHER WITH THE REPORT AND OPINION THEREON BY THE
AUDITOR GENERAL

OFFICE OF THE AUDITOR GENERAL
UGANDA
TABLE OF CONTENTS

REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2014 ........................................................................................................................................iii

REPORT OF THE AUDITOR GENERAL ON THE SPECIAL ACCOUNT OPERATIONS FOR THE YEAR ENDED 30TH JUNE 2014 ........................................................................................................v

1.0 INTRODUCTION ........................................................................................................................................1

2.0 BACKGROUND OF THE PROJECT .........................................................................................................1

3.0 OBJECTIVES OF THE PROJECT .............................................................................................................1

4.0 PROJECT COMPONENTS .........................................................................................................................1

5.0 AUDIT OBJECTIVES ................................................................................................................................3

6.0 AUDIT PROCEDURES PERFORMED .....................................................................................................3

7.0 COMPLIANCE WITH THE MEMORANDUM OF UNDERSTANDING AND GOU REGULATIONS .............................................................................................................4

8.0 GENERAL STANDARD OF ACCOUNTING AND INTERNAL CONTROLS ...........................................7

9.0 GENERAL IMPLEMENTATION OF WORKPLAN AND ACTIVITY COMPONENT .............................7

10.0 STATUS OF SUB PROJECT IMPLEMENTATION ..................................................................................8

11.0 PRIOR YEAR AUDIT RECOMMENDATIONS ......................................................................................10
SECOND NORTHERN UGANDA SOCIAL ACTION FUND PROJECT (NUSAF2)

(IDA CREDIT NO.46260 – UG)

REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2014

THE RT. HON. SPEAKER OF PARLIAMENT

I have audited the accompanying financial statements of the Second Northern Uganda Social Action Fund Project (IDA Credit No.46260 – UG) for the year ended 30th June 2014. The financial statements set out on pages 1 to 15 of appendix 1, comprise of:

- Statement of receipts and payments
- Statement of fund balance
- Special account statement
- Notes to the financial statements including summary of significant accounting policies adopted.

Management’s Responsibility for the financial Statements

Management is responsible for the preparation and fair presentation of the project financial statements in accordance with the IDA guidelines and the cash basis of accounting as described under note 1 to the financial statements and for such internal controls as management determines is necessary for the preparation and fair presentation of the Project financial statements that are free from material misstatements whether due to fraud or error.

Auditor’s Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted the audit in accordance with International Standards on Auditing (ISA). Those standards require that I comply with the ethical requirements, plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the Auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risks assessments, the Auditor considers the internal controls relevant to the entity’s preparation and fair presentation of
the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements. Except as discussed below, I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Part “A” of this report sets out my qualified opinion on the financial statements. Part “B” which forms an integral part of this report presents in detail all the significant audit findings made during the audit which have been brought to the attention of management.

PART “A”

Basis for Qualified opinion

- Shs.58,826,655,271 disbursed to beneficiary districts for the subprojects activities remained unaccounted for at the close of the year. Out of this amount Shs.41,547,079,004 relates to funds which have been outstanding for more than six months. As such, I was unable to establish whether the funds were utilized for the intended purposes.

Qualified Opinion

In my opinion, except for the possible effects of the matter referred to in the Basis for Qualified Opinion, the financial statements fairly present in all material respects the fund balance of the Second Northern Uganda Social Action Fund Project (NUSA2) as at 30th June, 2014 and the receipts and expenditure of the project for the year then ended in accordance with the cash receipts and payments basis of accounting policies described under Note 1 to the financial statements.

John F.S. Muwanga
AUDITOR GENERAL
KAMPALA

1st December, 2014
I have audited the special account statement of the Second Northern Uganda Social Action Fund Project (IDA Credit No.46260 – UG) for the year ended 30th June 2014, set out page 5 of Appendix 1.

Management Responsibility
Management is responsible for preparation of the special account statement and its fair presentation on the basis of cash deposits and withdrawals for the purpose of complying with the credit agreement and for such internal controls as management determines is necessary to enable the preparation of the statement that is free from material misstatement whether due to fraud or error.

Auditor’s Responsibility
My responsibility is to express an opinion on the special account statement based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

Opinion
In my opinion, the receipts were properly accounted for and withdrawals were made for the purposes of the project in accordance with the credit agreement. The special account statement contained in Appendix 1 fairly presents in all material respects the account operations for the year ended 30th June 2014 in accordance with the basis of accounting described above.

John F.S. Muwanga
Auditor General

Kampala

1st December, 2014
REPORT OF THE AUDITOR GENERAL AND SUPPLEMENTARY INFORMATION
PART "B"
This Section outlines the detailed audit findings, management responses, and my recommendations in respect thereof.

1.0  INTRODUCTION
Article 163 (3) of the Constitution of the Republic of Uganda requires me to audit and report on the public accounts of Uganda and all public offices including the courts, the central and local government administrations, universities, and public institutions of the like nature and any public corporation or other bodies or organizations established by an Act of Parliament. Accordingly, I carried out the audit of the above project so as to enable me report to Parliament.

2.0  BACKGROUND OF THE PROJECT
The financing agreement between the Republic of Uganda and the International Development Association (IDA) was signed on 27th August 2009. Under the agreement, IDA agreed to extend a credit to the Government of Uganda, amounting to SDR.66,900,000 to finance the project activities.

The project is implemented by the Office of the Prime Minister and is expected to be completed by 31st August 2015.

3.0  OBJECTIVES OF THE PROJECT
The objective of the Project is to support the country’s efforts to improve access of beneficiary households in Northern Uganda to income-earning opportunities and better basic socio-economic services.

4.0  PROJECT COMPONENTS
The project consists of the following components;

4.1  Livelihood Investment Support (LIS)
The objective of the Livelihood Investment Support (LIS) component is to improve access to income earning opportunities among the targeted households. The Component has two sub-components, namely;

(i) Household Income Support Programme (HISP)
Carrying out income generating activities, and provision of skills for creation of self employment within communities to increase productive assets and incomes of targeted poor community households and vulnerable groups in Northern Uganda including, inter alia, internally displaced persons, female headed households, persons
living with disabilities, widows, widowers, HIV/AIDS affected persons and orphans, through the provision of grants.

(ii) **Public Works Programme (PWP)**
Carrying out sub-projects for a community based public works program to support labor intensive community infrastructure interventions including construction or rehabilitation of earthworks and small infrastructure, community roads, dykes and bridges, and small community water reservoirs, reforestation, land husbandry and soil conservation measures based on Community Action Plans, and District Development Plans, through the provision of grants.

4.2 **Community Infrastructure Rehabilitation (CIR)**
Carrying out sub-projects to rehabilitate community infrastructure for improved access to socio-economic services including: (a) rehabilitation of, inter alia, schools, community water points, community access roads, skills training centers, health centers; and (b) supporting rehabilitation of complementary community investments including, inter alia, teachers’ houses, classrooms, sanitation facilities, basic solar system lighting, through the provision of grants.

4.3 **Institutional Development**
This comprises of;

(i) Supporting the Office of the Prime Minister in project management and implementation, including; (a) building the capacity of the Office of the Prime Minister for procurement and financial management; (b) provision of training to communities, and information dissemination to Local Governments and lower local governments, non government organizations and other stakeholders to form sustainable community partnerships; (c) supporting effective community based monitoring and evaluation, including designing and implementing a management information system for tracking the progress of the project; and (d) carrying out at least two impact studies.

(ii) Supporting transparency, accountability and anti-corruption program to improve governance and strengthen information, education and communication, and related public awareness programs.
5.0 **AUDIT OBJECTIVES**

The audit was carried out in accordance with International Standards on Auditing and accordingly included a review of the accounting records and agreed procedures as was considered necessary. The audit was carried out with regard to the following objectives:

a) To express an opinion as to whether the financial statements present fairly the project fund balances as at 30th June 2014, and its receipts and expenditure incurred for the period, in conformity with Generally Accepted Accounting Principles (GAAP).

b) To evaluate and obtain a sufficient understanding of the internal control structure of the project, assess control risk and identify reportable conditions, including material internal control weaknesses.

c) To establish whether the project managers are managing the project in compliance with the covenants contained in the credit agreement as well as Government of Uganda financial regulations.

d) To establish whether the funds have been used in accordance with the conditions of the credit agreement, with due attention to economy and efficiency and only for the purposes for which they were provided.

e) To establish whether counterpart funds have been provided and used in accordance with the conditions of the credit agreement, and Government of Uganda Financial Regulations, with due attention to economy and efficiency and only for the purposes for which they were provided.

f) To establish whether procurement of goods and services under the project was done in accordance with the provisions of the credit agreement and Government of Uganda Procurement Regulations.

g) To establish whether all necessary supporting documents, records and accounts have been kept in respect of all project activities, and are in agreement with the financial statements presented.

6.0 **AUDIT PROCEDURES PERFORMED**

(a) **Revenue/Receipts**

Obtained all schedules of fund provided by IDA and Government of Uganda and reconciled the amounts to the project’s cash books and bank statements.
(b) **Expenditure**
Vouched transactions including Statements of Expenditure and withdrawal applications during the period to establish whether documentation in support of expenditure agreed with the amount and description on the vouchers and/or applications and bank statements, and was properly controlled and accounted for.

(c) **Internal Control System**
Reviewed the internal control system and its operations to establish whether sound controls were applied throughout the period.

(d) **Procurement**
Reviewed the procurement of goods and services under the project during the period under review and reconciled with the approved procurement plan.

(e) **Fixed Assets Management**
Reviewed the use and management of the project assets during the period.

(f) **Periodic Reports about the project activities**
Reviewed the agreement provisions, operational manual and reports and reconciled it with the project activities during the period under review.

**FINDINGS**

7.0 **COMPLIANCE WITH THE MEMORANDUM OF UNDERSTANDING AND GOU REGULATIONS**

7.1 **Unaccounted for Subproject Disbursements UGX. 58,826,655,271**
Section 2.2 of NUSAF II Operational Manual requires that at least 80% of previous disbursements are accounted for before replenishment to a subproject. The policy also requires that all funds to subprojects should be accounted for within six months.

It was noted that Shs.58,826,655,271 (25.8%) out Shs.227,844,706,768 disbursed to subprojects remained unaccounted for as at 30th June 2014. Out of the Shs.58 billion unaccounted for, Shs.41,547,079,004 relates to disbursements which have been outstanding for over six months. The table below refers;
<table>
<thead>
<tr>
<th>AGE</th>
<th>DISBURSED</th>
<th>ACCOUNTED</th>
<th>% ACCOUNTED</th>
<th>UNACCOUNTED</th>
<th>% UNACCOUNTED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above 12 Months</td>
<td>142,994,940,365</td>
<td>124,511,969,492</td>
<td>87.1%</td>
<td>18,482,970,872</td>
<td>12.9%</td>
</tr>
<tr>
<td>9-12 Months</td>
<td>24,756,699,087</td>
<td>17,209,507,363</td>
<td>69.5%</td>
<td>7,547,191,724</td>
<td>20.6%</td>
</tr>
<tr>
<td>6-9 Months</td>
<td>40,914,262,109</td>
<td>25,397,345,701</td>
<td>62.1%</td>
<td>15,516,916,408</td>
<td>36.5%</td>
</tr>
<tr>
<td><strong>Sub-Total (≥ 6Mths)</strong></td>
<td><strong>208,665,901,560</strong></td>
<td><strong>167,118,822,557</strong></td>
<td><strong>80.1%</strong></td>
<td><strong>41,547,079,004</strong></td>
<td><strong>19.9%</strong></td>
</tr>
<tr>
<td>3-6 Months</td>
<td>5,047,535,125</td>
<td>1,208,680,407</td>
<td>23.9%</td>
<td>3,838,854,718</td>
<td>72.6%</td>
</tr>
<tr>
<td>0-3 Months</td>
<td>14,131,270,083</td>
<td>690,548,534</td>
<td>4.9%</td>
<td>13,440,721,549</td>
<td>94.4%</td>
</tr>
<tr>
<td><strong>Sub-Total (0-6Mths)</strong></td>
<td><strong>19,178,805,208</strong></td>
<td><strong>1,899,228,940</strong></td>
<td><strong>9.9%</strong></td>
<td><strong>17,279,576,268</strong></td>
<td><strong>90.1%</strong></td>
</tr>
<tr>
<td><strong>Overall Status</strong></td>
<td><strong>227,844,706,768</strong></td>
<td><strong>169,018,051,497</strong></td>
<td><strong>74.2%</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Under the circumstances, I was unable to establish whether the unaccounted for funds were used for intended purposes. Further, the delays in accounting for subproject funds affects Project implementation as the activities are not completed within project timelines.

Management explained that the delay in project accountability is a result of many factors which include; the Community Infrastructure Rehabilitation (CIR) and Public Works Program (PWP) which take 4-6 weeks before project implementation, delays by contractors due to limited capacity to execute contracts on time and fiduciary requirements that require at least 80% accountability for the previous disbursement to sub projects and overall outstanding community accountabilities above 6months in the district to be below Shs.50m. Management further explained that the District Financial Tracker clean up exercise and Rapid Results Initiative to clean up subproject accountabilities at the district had been carried out and as a result unaccounted for funds had gone down.

I advised management to ensure that all project funds are fully accounted and within the project timelines.

### 7.2 Discrepancy between approved budget estimates by project funders and the estimates approved by Parliament

The approved estimates by Parliament for the year under review were indicated as Shs.41,648,920,000 while the approved budget by the World Bank amounted to Shs.169,189,150,568 creating a variance of Shs.127,540,230,568. Management stated that the variance was as a result of committed funds as at 30th of June meant to implement the backlog of subprojects. However, according to the NUSAF-World
Bank work plan, the committed funds for the backlog sub project amounted to only Shs.102,903,898,568 hence creating an outstanding variance of Shs.24,636,332,000.

There seems to be a mismatch between the work plans and the Appropriation Act.

Management explained that the discrepancy was due to the project implementation design where projects for Community Infrastructure and Public works once approved receive only 50% of funds in the first tranche to commence the implementation and receive the last 50% as second tranche subject to a satisfactory report and accountability of not less than 80% of the funds released. Management further indicated that the approved funding that is not released to subprojects is retained by the project and reflected as committed funds and rolled over to the subsequent financial year and that the difference observed was planned to offset the accumulated outstanding 2nd tranche demands of the community projects which were rolled over.

I advised management to harmonise project annual estimates submitted to Parliament and those of the World Bank. This will also facilitate smooth performance measurement.

7.3 Low absorption capacity

The Annual work plan and budget for NUSAF II activities stood at Shs.169,189,150,568. During the year, a total of Shs.91,783,256,891 was received by the project in addition to the bank balances of Shs.49,084,796,298 meant for subprojects which were rolled over from the prior year. UGX.104,683,883,524 was utilized during the year representing an absorption capacity of only 62% of the approved budget, despite the Project being in its fifth year of the six–year implementation plan. This implies that a number of planned activities are likely not to be implemented.

Non-implementation of planned activities in the stipulated timelines does not only lead to spillover of activities to the next planning period but may also lead to non-achievement of the desired outputs, subsequently hampering fulfillment of Project objectives. This could also lead to extra administrative costs in case of project extension.

Management explained that the rate of absorption against IDA Credit is 100% based on planned withdrawals versus actual withdrawals. Management further explained
that the project planned for 10,042 subprojects at the onset of NUSAF2 programme and to date 9619 projects had been funded.

I advised management to carry out adequate planning to enable full implementation. Management should also ensure that planned activities are completed before the project closure date (31st August 2015).

8.0 GENERAL STANDARD OF ACCOUNTING AND INTERNAL CONTROLS

A review was carried out of the project system of financial management and the following matters were observed;

8.1 Failure to insure Project vehicles

Section 4.4 (ix) of the NUSAF2 administrative hand book requires all Project vehicles to be comprehensively insured with a reputable insurance company in Uganda. This was not the case as all the project vehicles had not been insured at the time of audit.

Failure to insure Project vehicles may lead to Project incurring unwarranted costs in form of replacements and repairs in case any of the programme vehicles got involved in accidents.

Management explained that the Process for procurement of Non-consultancy services for insurance of NUSAF2 Vehicles was initiated, proposals received and evaluated but the process could not proceed further because of Government’s policy which does not provide for insurance of government vehicles. Management further explained that NUSAF2 being a main-streamed project had all its vehicles registered under the ownership of OPM and therefore could not operate in exception regarding insurance of government vehicles.

I advised management to liaise with the relevant authorities to ensure that the matter is resolved so as to comply with the guidelines.

9.0 GENERAL IMPLEMENTATION OF WORKPLAN AND ACTIVITY COMPONENT

An Audit inspection of subprojects was carried out to assess the progress of implementation. The following issues were observed:

9.1 Absence of sign posts at the sub-project sites

Bill of Quantities- provided for a sign post for identification of the sub projects undertaken by NUSAF2 in the area which the project is located. The bill board should
clearly specify the Ministry, the project, the subproject name Sub County, District and contractor. However, it was observed that all sub-projects in Karamoja Region (Kaboong and Kotido) and many in areas of Acholi and Lango regions inspected lacked sign posts for identification with the exception of Dokolo District.

In absence of the sign posts, it becomes difficult to ascertain whether all the projects inspected were actually the right ones as there were other similar projects run by Non-Governmental Organizations. There was also a financial loss for the project as the item was budgeted for in the BOQs but not adhered to by the contractors.

Management explained that a written communication had been made to all the districts to prioritize the installation of sign posts at sub project sites.

I await management’s efforts to ensure that installation of sign posts by the contractors in all the sub-projects is done for easy sub project identification.

### 10.0 STATUS OF SUB PROJECT IMPLEMENTATION

#### 10.1 Project performance per annual work plan and Budget 2013/14

NUSAF II Project Management planned for implementation of various activities during the year. A review of the annual work plan vis-à-vis actual implementation and outputs for the year revealed that while a number of activities had been completed, some activities were partially implemented. The table below refers:

<table>
<thead>
<tr>
<th>S/No</th>
<th>Activities for the year</th>
<th>Targets for the year</th>
<th>Amount (Shs)</th>
<th>Progress during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Subprojects completed</td>
<td>10,042 subprojects completed</td>
<td>A total of 6,503 subprojects (HISP-5,047 CIR-1,377 and PWP-79) are completed out of the 8,719 funded subprojects giving a completion rate of 75%.</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Accountability for grants mobilized</td>
<td>99% of funds disbursed</td>
<td>The project disbursed a total of Shs.227,828,905,089 and Shs.185,294,319,134 have been accounted which is 81.3% of disbursed amount.</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Implementation support and guidance offered to districts</td>
<td>Reaching 55 districts – two visits per district</td>
<td>65,000,000</td>
<td>One support supervision visit was conducted reaching 11 districts (7 in Karamoja, 2 in Elgon, 1 in Teso and 1 in Lango sub-regions).</td>
</tr>
<tr>
<td>4.</td>
<td>Training district staff on</td>
<td>110 (55 Dist. Env. Officers and 55</td>
<td>160,000,000</td>
<td>3 regional trainings were held in Gulu for participants from</td>
</tr>
<tr>
<td>S/No</td>
<td>Activities for the year</td>
<td>Targets for the year</td>
<td>Amount (Shs)</td>
<td>Progress during the year</td>
</tr>
<tr>
<td>------</td>
<td>-------------------------</td>
<td>----------------------</td>
<td>--------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td></td>
<td>environment and social safeguards DCDOs)</td>
<td></td>
<td></td>
<td>Acholi, Lango and West Nile districts; Mbale for participants from Elgon, Bukedi and Teso districts and Moroto for participants from Karamoja districts.</td>
</tr>
<tr>
<td>5.</td>
<td>Technical support on environment and social safeguards</td>
<td>55 districts</td>
<td>33,229,840</td>
<td>3 technical support visits were done reaching 42 districts (76% coverage).</td>
</tr>
<tr>
<td>6.</td>
<td>Radio talk shows and broadcasts</td>
<td>5 radio talk shows per region</td>
<td>20,000,000</td>
<td>1 radio talk show on commissioning of NUSAF2 subprojects held in Sironko and 4 radio broadcasts in Karamoja on NUSAF2 status updates.</td>
</tr>
<tr>
<td>7.</td>
<td>Support supervision and backstopping of district staff on documentation</td>
<td>3 visits to 55 districts</td>
<td>20,000,000</td>
<td>Backstopping of 34 districts done on documentation of best practices and record keeping (62%).</td>
</tr>
</tbody>
</table>

Delay in implementation of planned activities denies beneficiaries the intended benefits of the Project. Besides, Project objectives may not be achieved.

Management explained that the decision to extend the project life by one year was made after the preparation of the 2013/14 work plan and the targets that were made under the assumption that the project would end in August 2014. Management further explained that a new road map had been made providing new targets for the project close in August 2015.

I advised management to expedite the planned Project activities in order to meet Project objectives within the agreed time frame.

10.2 Project Performance as per Logical Framework
According to the Project five year implementation plan and progressive reports reviewed from management, the Project had in some instances (Public Works Programme) not progressed well despite the fact that its closure date was set for August 2015:
<table>
<thead>
<tr>
<th>Component</th>
<th>Sub Projects</th>
<th>Funding</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Planned</td>
<td>Approved</td>
<td>% Achieved against 5 yr target</td>
<td>Planned (US$)</td>
</tr>
<tr>
<td>Community Infrastructure Rehabilitation (CIR)</td>
<td>1,915</td>
<td>2,533</td>
<td>132%</td>
<td>57,450,000</td>
</tr>
<tr>
<td>Household Income Support Projects (HISP)</td>
<td>7,236</td>
<td>6,716</td>
<td>93%</td>
<td>36,180,000</td>
</tr>
<tr>
<td>Public Works Programme (PWP)</td>
<td>891</td>
<td>370</td>
<td>42%</td>
<td>17,820,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>10,042</td>
<td>9,619</td>
<td>96%</td>
<td>111,450,000</td>
</tr>
</tbody>
</table>

Delays in implementing activities could result into extra administrative costs.

Management explained that the project was set to meet the planned target once the project is extended for another year.

I await the outcome of management’s efforts towards implementation of project activities within the agreed timelines.

11.0 PRIOR YEAR AUDIT RECOMMENDATIONS

A review of prior audit observations and recommendations was done and the status of implementation is shown below:

<table>
<thead>
<tr>
<th>S/No</th>
<th>Findings</th>
<th>Current Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Discrepancy between approved budget estimates by project funders and the estimates approved by Parliament</td>
<td>Repeated</td>
</tr>
<tr>
<td>2</td>
<td>Failure to align annual work plan and budget to the chart of accounts</td>
<td>Not Repeated</td>
</tr>
<tr>
<td>3</td>
<td>Low absorption capacity</td>
<td>Repeated</td>
</tr>
<tr>
<td>4</td>
<td>Mischarges</td>
<td>Not repeated</td>
</tr>
<tr>
<td>5</td>
<td>Under-deduction of Income</td>
<td>Not Repeated</td>
</tr>
<tr>
<td>6</td>
<td>Unaccounted for funds</td>
<td>Repeated</td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>Status</td>
</tr>
<tr>
<td>---</td>
<td>--------------------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>7</td>
<td>Missing vouchers</td>
<td>Not Repeated</td>
</tr>
<tr>
<td>8</td>
<td>Irregularities in Motor vehicle repairs</td>
<td>Not Repeated</td>
</tr>
<tr>
<td>9</td>
<td>Failure to insure Project vehicles</td>
<td>Repeated</td>
</tr>
<tr>
<td>10</td>
<td>Lack of training Assessments</td>
<td>Not Repeated</td>
</tr>
<tr>
<td>11</td>
<td>Delayed works</td>
<td>Not Repeated</td>
</tr>
</tbody>
</table>
FINANCIAL STATEMENTS